

**FAIS PROCEDURE TO ENSURE COMPLIANCE WITH THE COMPLAINTS
MANAGEMENT POLICY**

1. Introduction

Section 17 of the General Code of Conduct requires that each Financial Services Provider establish, maintain and operate an adequate and effective complaints management framework in order to effectively resolve complaints and ensure that complainants receive fair treatment in the process.

Treating Customers Fairly principles state that customers should not face unreasonable post-sale barriers imposed by firms to submit a claim or make a complaint. As such <FSP name> ensures that effective complaints resolution is embedded in the organisation’s culture.

2. Scope / Application

The procedure is to ensure compliance by all Key Individuals, representatives or other employees with the provisions of the General Code of Conduct for financial services providers and representatives as it relates to the resolution of complaints.

The procedure will provide for:

- Where the Complaints resolution policy will be kept and how it may be accessed;
- The process to ensure that all employees (Key Individuals, representatives etc) read and understand the policy;
- Review of the policy;
- Obtain declaration from employees (Key Individuals and representatives);
- Maintaining the complaints registers;
- Internal complaint resolution procedure;
- Reporting.

3. Complaints management processes

3.1 Procedure to ensure compliance with and the maintenance of the complaints management policy

Step 1	The board of directors/ Governing body or key individuals of the provider is responsible for-
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	<ul style="list-style-type: none"> ● effective complaints management; ● approval of the complaints management framework; and ● overseeing the effectiveness of the implementation of the provider’s complaints management framework. <p>Draft, establish and adopt a complaints management policy and procedure.</p> <p>The policy and procedure may be adopted to be by the following as the case may be:</p> <ul style="list-style-type: none"> ● Sole proprietor; or ● Board of directors; or ● Governing body of the provider. <p>To adopt the policy and procedure the authorised person must review, accept, print, sign and store the policy. By signing the policy, the authorised person signifies the approval and adoption of the policy and processes.</p>
Step 2	<p>Provide a copy of the Complaint resolutions policy to each Key Individual, representative and relevant staff. All employees should be able to access the Complaints resolution policy.</p> <p>Obtain a signed declaration of understanding from Key Individuals and representatives. See Annexure A.</p>
Step 3	<p>Allocate specific duties to relevant staff members with the necessary authority to deal with the responsibilities.</p> <p>Provide training to all employees surrounding complaint resolution and specifically staff that will be responsible to assist clients to resolve complaints.</p>
Step 4	<p>The complaints management policy and procedure must be easily accessible at every office or through means of a customer care line, email or helpdesks.</p> <p>The contact details of the relevant ombud services must be communicated to the client at all relevant stages of the client relationship, including at the start of the relationship disclosure letter and any other relevant communications.</p> <p>Display and/or make available information regarding the availability and contact details of the relevant ombud services at the premises and/or on the website of the provider.</p>

Step 5	Review the complaints management policy and procedures on an annual basis to ensure it remains relevant and ensure that the amendments are approved and employees receive training on the same.
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3.2 Internal complaints resolution procedure

Step 1	Ensure that the complaints management procedure is available to clients
Step 2	<p>Ensure that complaints from the client are received in writing or are reduced to writing. Obtain relevant documentation and information from the client for instance:</p> <ul style="list-style-type: none"> • Type of information required; • How information must be submitted; • expected turnaround times; • Any other relevant responsibilities.
Step 3	<p>Confirm in writing receipt of the complaint and who will be assisting the client to investigate the complaint. This must be done within __ of receipt of the complaint.</p> <p>See annexure B for example of confirmation of complaint.</p>
Step 4	<p>Log and categorise the complaint in the complaint register and keep records of the following:</p> <ul style="list-style-type: none"> • all relevant details of the complainant and the subject matter of the complaint; • copies of all relevant evidence, correspondence, and decisions; • the complaint categorisation as set out in subsection (4); and • progress and status of the complaint, including whether such progress is within or outside any set timelines <p>The complaints register and records kept must reflect the following data:</p> <ul style="list-style-type: none"> • number of complaints received • number of complaints upheld; • number of rejected complaints and reasons for the rejection; • number of complaints escalated by complainants to the internal complaints escalation process • number of complaints referred to an ombud and their outcome;

	<ul style="list-style-type: none"> • number and amounts of compensation payments made; • number and amounts of goodwill payments made; and • total number of complaints outstanding.
Step 5	Allocate to the relevant person to assist with the complaint.
Step 5	<p>Investigate the complaint and discuss with all parties. This step must be concluded within ___ days.</p> <p>If there are any delays in the investigation and resolution of the complaint it must be clearly communicated with the complainant.</p>
Step 6	Discuss findings or outcome with the complainant.
Step 7	If the client is not satisfied, escalate the complaint to _____ (include senior function) if applicable OR advise the client that the complaint remains unresolved.
Step 8	<p>If the complaint is resolved to client satisfaction: Ensure that the solution is implemented.</p> <p>If the client is unsatisfied: Inform client in writing of the findings and the right to refer the matter to the FAIS Ombudsman or obtain other legal advice.</p>
Step 9	Update the complaints register accordingly and retain all correspondence and information relating to the complaint.
Step 10	Review all complaints received to ensure that the necessary measures is implemented to improve outcomes for the client and to ensure that the reason why the complaint was submitted is not repeated.
Step 11	<p>Report to the Board of Directors/ Governing body or Regulator as the case may be in relation to complaints received.</p> <p>The Report may contain a summary of the following information:</p> <ul style="list-style-type: none"> • Details of the complainant and the subject matter of the complaint; • the complaint categorisation as set out in subsection (4); • progress and status of the complaints, including whether such progress is within or outside any set timelines; • number of complaints received

	<ul style="list-style-type: none"> • number of complaints upheld; • number of rejected complaints and reasons for the rejection; • number of complaints escalated by complainants to the internal complaints escalation process • number of complaints referred to an ombud and their outcome; • number and amounts of compensation payments made; • number and amounts of goodwill payments made; and • total number of complaints outstanding; • How the FSP used the information manage conduct risk; • What measures was implemented to improve outcomes to clients; • Measures implemented to prevent recurrences of poor outcomes or errors.
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3.3 Engagement with the Ombud

Step 1	Once correspondence is received from the Ombud, the FSP shall confirm receipt of the correspondence and nominate relevant person to engage with the Ombud.
Step 2	If necessary, gain legal advice or assistance to respond to the Ombud.
Step 3	As far as possible adhere to requests from the Ombud within the prescribed time limits.

3.4 Complaints procedure in relation to outsourced service providers or juristic representatives

Step 1	<p>Ensure that that the outsourcing agreement / service level agreement or juristic representative agreement include a section with regards to:</p> <ul style="list-style-type: none"> • The manner in which complaints will be dealt with; • The referral of complaints between the parties; • Provision of information relating to the complaint to the party requiring the information; • The maintenance of an adequate complaints framework.
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Step 2	Request information and confirmation of the complaints management framework implemented at the services provider
Step 3	On an annual basis review the complaints framework and complaints against the outsourced party and remedies that can be implemented and/or whether relationship to be terminated.

4. Responsible persons

4.1 Persons responsible for the procedure to ensure compliance with and the maintenance of the complaints resolution policy

Steps	Establishment/Review	Implementation	Execution
1	BOD/ Senior management/ Compliance function/ person with highest authority	BOD/ Senior management/ Compliance function/ person with highest authority	BOD/ Senior management/ Compliance function/ person with highest authority
2	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual	Key Individual/ representative
3	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/nominated person	Key Individual/nominated person
4	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/nominated person	Key Individual/nominated person

4.2 Persons responsible for the internal complaints procedure

Steps	Establishment/Review	Implementation	Execution
1	BOD/ Senior management/ Compliance function/	BOD/ Senior management/ Compliance function/	BOD/ Senior management/ Compliance function/

	person with highest authority	person with highest authority	person with highest authority
2	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
3	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/nominated person	Key Individual/nominated person
4	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/nominated person	Key Individual/nominated person
5	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
6	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
7	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
8	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
9	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
10	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person

11	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
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4.3 Engagement with the Ombud

Steps	Establishment/Review	Implementation	Execution
1	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
2	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
3	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person

4.4 Complaints procedure in relation to outsourced service providers or juristic representatives

Steps	Establishment/Review	Implementation	Execution
1	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
2	BOD/ Senior management/ Compliance function/ person with highest authority	Key Individual/ nominated person	Key Individual/ nominated person
3	BOD/ Senior management/ Compliance function/ person with highest	Key Individual/ nominated person	Key Individual/ nominated person

	authority		
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Annexure A - FAIS DECLARATION OF UNDERSTANDING OF COMPLAINTS RESOLUTION POLICY

I _____, the undersigned, hereby acknowledge that I have read and understand the provisions in relation to the complaints resolution policy as stipulated in the General Code of Conduct for Financial Services Providers and representatives.

The policy and procedures have been explained to me along with all relevant legislation and amendments.

Signed:

Date:

Name:





“Annexure B” Complaint acknowledgement letter

< Client name>

< Client address / email address>

< Date>

Dear < Enter client name>

RE: COMPLAINT

We refer to the above-mentioned matter and thank you for your letter / email raising your concern or complaint.

We herewith acknowledge receipt of your complaint and confirm that we shall be conducting a thorough investigation into your concerns. Once we have finalised our investigation, we shall write to you again.

Please find enclosed a copy of our Complaints Management policy which includes our complaints procedure for your ease of reference. Please take the time to read this policy as it explains how we shall deal with your complaints.

Please take further note that _____ will be assisting to investigate your complaint and if you have any queries please do not hesitate to contact him/her.

Yours faithfully,

< Details of the writer>



“Annexure C” Final response - complaint outcome

< Client name>

< Client address / email address>

< Date>

Dear < Enter client name>

RE: OUTCOME OF COMPLAINT

We refer to the abovementioned matter and our letter dated the _____.

We have investigated your complaint < ___ insert details of the complaint ___>

Our investigation shows _____ < give response to the complaint>

We trust that this resolves your concerns and please note that this is our final response. If you are not satisfied with the solution/outcome of the complaint, you have the right to approach the office of the Ombud for Financial Services in accordance with the provisions of section 27 of the FAIS Act 2002. A complaint must be referred to the FAIS Ombudsman within 6 months from the date of this letter. The Ombud will not adjudicate in matters exceeding a value of R800 000.00.

The Ombud may be contacted at his offices in Pretoria, at the following address:

Physical Address:

FAIS Ombud
125 Dallas Avenue Menlyn
Central,
Waterkloof Glen, Pretoria
0010

Postal Address:

FAIS Ombud
P.O. Box 74571
Lynwood Ridge
0040

Contact Numbers:

Telephone: +27 12 762 5000
Sharecall: 086 066 3247
Email: info@faisombud.co.za
Website: www.faisombud.co.za